



## MINUTES

**Board of Directors Meeting  
Kapolei Hale, Conference Room A  
1000 Uluohia Street, Kapolei, Hawaii  
Thursday, August 30, 2012, 11:00 AM**

**PRESENT:**

Carrie Okinaga  
Ivan Lui-Kwan  
Keslie Hui  
Wayne Yoshioka  
David Tanoue

Don Horner  
Robert "Bobby" Bunda  
Damien Kim  
William "Buzz" Hong

**ALSO IN ATTENDANCE:  
(Sign-in Sheet and Staff)**

Maurice Morita  
Russell Honma  
Joanna Morsicato  
Jim Van Epps  
Jim Yang  
Joseph Lapilio  
Dr. Jim Anthony  
Todd Bedford  
Jack Legal  
Tom Coffman

Shannon Alivado  
Rev. Bob Nakata  
Dan Grabauskas  
Gary Takeuchi  
Lisa Hirahara  
Jeanne Mariani-Belding  
Joyce Oliveira  
Andrea Tantoco  
Cindy Matsushita

**I. Call to Order by Chair**

Board of Directors Chair Carrie Okinaga called the meeting to order at 11:28 a.m.

**II. Public Testimony on All Agenda Items**

Ms. Okinaga called for public testimony.

Environmentalist Dr. Jim Anthony provided testimony on his strong support of rail. A member of the Sierra Club and self-described former rail opponent, Dr. Anthony stated that his testimony was being given as an individual. He urged the Board to take an assertive position following the *Kaleikini* ruling, and requested that it have conversations with the environmental community. Mr. Horner acknowledged that Dr. Anthony was testifying as an individual, but asked why the Sierra Club might be supportive of rail. Dr.

Anthony stated that rail would help to curtail urban sprawl. Mr. Horner asked about the Sierra Club's opinion on rail's fuel consumption relative to the fuel consumed by cars, but Dr. Anthony declined to comment on the organization's position.

Board member David Tanoue asked Dr. Anthony what precipitated the change in his stance on rail. Dr. Anthony stated that hearing rail opponent Cliff Slater's arguments against rail were instrumental in his position change. Board member Wayne Yoshioka congratulated Dr. Anthony on his appointment to the City Transportation Commission.

Todd Bedford of the Board of Directors of the Kapolei Chamber of Commerce provided testimony in support of rail, citing its positive impacts on traffic, employment, and access for the people of Kapolei.

Maurice Morita, Assistant Director of the Laborers-Employers Cooperation and Education Trust, registered his organization's support for rail. He stated that he did not want to again miss the opportunity to build rail, after past efforts did not proceed.

Russell Honma testified in support for rail, and stated that Honolulu has a need for world class public transportation.

Ms. Okinaga noted written testimony provided by Michael Asato and Peter Ganaban.

Shannon Alivado of the General Contractors Association testified regarding her organization's support for rail. She cited the benefits of providing affordable housing and public/private partnerships, and commended Chief Executive Officer and Executive Director Dan Grabauskas for his transparency.

The chair of Filipinos for Rail, Jack Legal, spoke regarding his support of the rail project. He cautioned that there are a lot of misconceptions about rail.

Joseph Lapilio, a Waianae coast resident who has commuted into town every day for 20 years, asked the Board to aggressively continue its work in building the rail project. He stated that the robust attendance at the July 31, 2012 rail job fair on the Waianae coast indicates a need for jobs in the area. Board member Ivan Lui-Kwan stated that he attended the job fair, and echoed Mr. Lapilio's belief that economic opportunities are needed.

Rev. Bob Nakata of Faith Action for Community Equity testified in support of rail, and stated that if rail is not built, the result will be a polarization of rich and poor, with no middle class. He stated that rail has much greater impacts than just transportation. It will bring equity, particularly as transit-oriented development is one solution to the need for affordable housing. Mr. Lui-Kwan thanked Rev. Nakata for being a champion of those in need of help. Board member William "Buzz" Hong also thanked Rev. Nakata for his support, and assured him that affordable housing would be a focus of transit oriented development.

Tom Coffman provided testimony urging the Board not to continue the political strategy it inherited in rushing the project forward. He stated that the Board is trying to clean up the “rush rush, spend spend” approach that led to the *Kaleikini* decision and cost overruns, and urged them to take one step at a time. He testified to two cultural impacts of the project as a result of rushing: 1) the Traditional Cultural Properties study, which specifies 27 cultural sites on or near the alignment; and 2) the pending *Honolulutraffic.com* lawsuit, in which Mr. Coffman felt the plaintiffs are more likely to succeed in wake of the *Kaleikini* decision. He also stated that the archaeological problems in the downtown area will not be fully known until the engineering is done.

Mr. Horner questioned Mr. Coffman’s characterization of the legal decision. Mr. Lui-Kwan registered the Board and HART’s keen awareness and sensitivity to Native Hawaiian issues.

### III. Approval of July 19, 2012 Board of Directors Meeting Minutes

Ms. Okinaga called for approval of the July 19, 2012 Board of Directors meeting minutes. There being no objections, the minutes were approved unanimously.

### IV. Report of Committee Meetings

#### A. August 9, 2012 Transit Oriented Development Committee

Mr. Hong reported that at the August 9, 2012 Transit Oriented Development meeting, public testimony was taken, minutes were approved, and the committee heard two presentations. The first presentation was given by Kamehameha Schools on their plans to develop the Kakaako area. The second presentation was by Tim Steinberger of the City and County of Honolulu’s Department of Environmental Services regarding sewer infrastructure capacity.

#### B. August 9, 2012 Finance Committee

Mr. Horner reported no other comments outside of what is reflected in minutes.

#### C. August 30, 2012 Audit/Legal Matters Committee

Mr. Lui-Kwan reported that the Audit/Legal Matters Committee approved the criteria for the independent auditor selection and heard a litigation and Sunshine Law update (reserving the *Kaleikini* matter for the Board of Directors meeting). The committee also approved the HART Gift Policy for recommendation to the Board. The committee also heard an update on HART’s activities pursuant to City Council Resolution 12-149. Mr. Lui-Kwan also reported that the committee had discussed HART retaining an auditor to identify risks to the HART structure. Mr. Horner explained that the risk assessment would entail a structural audit to look at potential construction and operational “hot

spots,” and stated that Mr. Grabauskas will look at those issues and report back to the Audit/Legal Matters Committee with recommendations.

D. August 30, 2012 Joint Finance and Project Oversight Committees

Board member Damien Kim reported that the Finance and Project Oversight Committees meeting jointly earlier that day had heard a change order

Mr. Horner moved to Sunshine the matter of the HART Fact Sheet onto the agenda, pursuant to the recommendation of the joint Finance and Project Oversight Committee meeting. All were in favor. Mr. Horner stated that as Mr. Grabauskas agreed to take a more proactive approach to transparency, he moved to have the Fact Sheet published in the newspaper every month. Although the HART Fact Sheet is currently on the HART website, publication in the newspaper would make the facts about the project available to more of the general public. The Fact Sheet would contain financial, land acquisition, and project completion information. Board member Keslie Hui added that it should also contain schedule information. Mr. Yoshioka seconded the motion. All being in favor, the motion carried unanimously.

V. Fare Gates

Mr. Grabauskas stated that this item, and the next item, Fare Gates, were discussed in a previous Finance Committee meeting, which recommended endorsement to the full Board. He summarized the committee discussion by saying that capital costs associated with fare gates were outweighed by the staffing costs and foregone fare revenue through evasion of an open, gateless system. He stated that the Finance Committee had requested a cost benefit analysis, the results of which would be reported to the full Board. HART would be working closely with the Department of Transportation Services and Oahu Transit Services to ensure a system that would be fully integrated with TheBus.

Mr. Lui-Kwan moved to endorse HART's efforts to conduct due diligence on incorporating fare gates into the system. Mr. Horner seconded the motion. All being in favor, the motion carried. Mr. Horner stated that fare gates would provide revenue enhancement opportunities, as well as making the system safer.

VI. Train Seating

Mr. Grabauskas stated that Jacobs Engineering, who provides project management oversight, has recommended adding more seats to the trains. HART has been in discussions with Ansaldo to add 800 more seats to the fleet, thereby increasing the seating capacity by 26%. HART recently reduced its budget, thus allowing reallocation and investment into things such as train seating, which the public has asked for.

Mr. Lui-Kwan moved to endorse the decision to include more seating for rail cars. Mr. Hong seconded the motion. Mr. Horner noted that the overall capacity of the rail cars

should still allow for surfboards, bicycles and luggage. Mr. Hong agreed with that point. All being in favor, the motion carried.

VII. HART Fiscal Year 2012 Annual Report

Ms. Okinaga stated that the draft of the FY 2012 Annual Report, attached hereto as Attachment A, is being submitted pursuant to Charter. Mr. Hui moved for approval, and Mr. Lui-Kwan seconded the motion. All being in favor, the Annual Report was approved. The draft report would be submitted to the Customer Services Department.

VIII. Report of the Executive Director

Mr. Grabauskas gave a brief update on actions taken since the Hawaii Supreme Court *Kaleikini* decision was issued. He reported that, upon Corporation Counsel's advice, all construction and ground disturbing/altering work had been halted at the east Kapolei columns site, the precast yard, and the Maintenance and Storage Facility site as of Friday, August 24, 2012. Similarly, utility relocations activities have ceased. There are limited exceptions, which have been discussed with plaintiff, to include the delivery of modular classrooms to Waipahu High School, and completion of test shaft work at Aloha Stadium. He stated that a more complete list of construction activities would be available in the near future.

Deputy Corporation Counsel Gary Takeuchi stated that the Hawaii Supreme Court issued its ruling the previous Friday in the *Kaleikini* case. He summarized the ruling into two main points:

1. The State Historic Preservation Division's (SHPD) interpretation of their administrative rules regarding Archaeological Inventory Survey (AIS) activity, which allowed HART to "phase" the AIS work, was inconsistent with the plain meaning of the rules; and
2. The project's Environmental Impact Statement (EIS) met all requirements.

Mr. Takeuchi stated that the court did not rule on the remedies that would apply, given the ruling, but remanded the matter to Circuit Court.

IX. Executive Session

Ms. Okinaga noted that the next agenda item was executive session, for the Board to consult with its attorneys on questions and issues pertaining to its powers, duties, privileges, immunities and liabilities pursuant to Hawaii Revised Statutes Section 92-4 and Section 92-5(a)(4). Mr. Lui-Kwan made a motion to enter into executive session for that purpose.

Mr. Horner asked if the Board could first have a public discussion. Mr. Lui-Kwan suggested that the motion be suspended until conclusion of the public discussion. Mr. Horner stated that it was his understanding that plaintiff did not file for an injunction in conjunction with the recent decision. Mr. Takeuchi advised that plaintiff had earlier moved for an injunction pending appeal, which was denied. Mr. Horner asked whether the court found that SHPD failed to follow its own administrative rules or the statute. Mr. Takeuchi replied that the administrative rules were not followed, according to the court, and confirmed that the statute itself did not specifically prohibit phasing of the AIS work. He noted that the rail project agreed with SHPD's interpretation of its rules as being a prudent approach that provided additional protection to unknown burials and other historic properties.

Mr. Lui-Kwan pointed out that there is nothing inherently wrong with phasing, as the federal rules allow phasing. However, the federal rules did not apply here, as the Hawaii rules differ. He stated that the opinion turned on the interpretation of the term "project area."

Board member David Tanoue asked Mr. Takeuchi to explain the court's finding regarding the EIS. Mr. Takeuchi stated that the court affirmed that all legal requirements for the EIS had been met.

Mr. Horner stated that HART has done AISs on all property currently under construction. He asked for clarification on whether HART is now being required to do AIS on properties it won't be doing construction on for three to four years. Mr. Grabauskas confirmed he is correct.

Ms. Okinaga asked Mr. Takeuchi to explain the arguments made in the lower court. Mr. Takeuchi said the argument was that phasing allows AIS work to be focused and ground disturbance to be minimized to only those areas that the project will actually touch, based on more detailed design information. Mr. Horner asked whether SHPD approved and allowed this technique, and Mr. Takeuchi confirmed that it did, and that the project agreed with this approach. Mr. Horner asked if the court decision spoke to the adequacy of the AIS work, and Mr. Takeuchi replied that it had not.

Mr. Horner stated that the rail project is being likened to the Superferry, in which an EIS was not done. Mr. Takeuchi distinguished the rail project from the Superferry by noting that the Superferry project was given an exemption from doing an EIS, while the EIS for the rail project had been affirmed by the court decision.

Mr. Lui-Kwan moved to enter into executive session as previously indicated, and Mr. Yoshioka seconded. All being in favor, the Board entered executive session at 12:35 p.m.

The Board reconvened at 2:51 p.m. Ms. Okinaga read a statement by the Board, a copy of which is attached hereto as Attachment B.

X. Adjournment

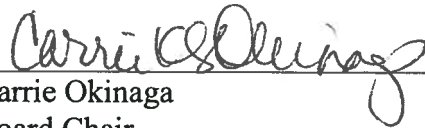
There being no other business before the Board, Ms. Okinaga adjourned the meeting at 2:53 p.m.

Respectfully Submitted,



Cindy Matsushita  
Board Administrator

Approved:



Carrie Okinaga  
Board Chair

SEP 13 2012

Date

1065 Ahua Street  
Honolulu, HI 96819  
Phone: 808-833-1681 FAX: 839-4167  
Email: [info@gcahawaii.org](mailto:info@gcahawaii.org)  
Website: [www.gcahawaii.org](http://www.gcahawaii.org)



# GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

Uploaded via [www.honolulutransit.org](http://www.honolulutransit.org)

August 30, 2012

Honorable Carrie Okinaga, Esq.  
Chair  
Honolulu Authority for Rapid Transit  
Alii Place, Suite 1700  
1099 Alakea Street  
Honolulu, Hawaii 96813

**SUBJECT: Support of Rail Transit Project**

Board Meeting

DATE: Thursday, August 30, 2012  
TIME: 11:00 a.m.

Dear Chair Okinaga and Members,

The General Contractors Association of Hawaii (GCA) is an organization comprised of over six hundred (600) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is celebrating its 80<sup>th</sup> anniversary this year; GCA remains the largest construction association in the State of Hawaii whose mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

GCA respectfully requests the HART Board to consider all issues and variables in their deliberation and decision making regarding the continued construction of the rail transit project. GCA has been in support of the rail transit project since its inception and continues to stand in support.

The rail transit project is the largest and most immediate job stimulus available in the state of Hawaii today. It has already put people back to work and has many looking forward to its continued construction. Today's economy has had a devastating effect on the construction industry and its work force. The solution is job creation of such a magnitude that it would put the greatest number of people back to work. Rail will also encourage Transit-Oriented Development around the rail stations and along the route, which will in turn support sustainable and more livable communities.

Rail is transportation infrastructure necessary for our island's quality, growth and prosperity. A recent report named Honolulu the city with the worst traffic congestion in the nation. The report indicated that in 2011, Honolulu drivers wasted 58 hours in traffic. It should be concerning that Honolulu beat out larger municipalities like Los Angeles and New York City. Moreover, couple this recent report with the expected population growth for Honolulu over the next decade – the rail transit project is the necessary solution.

Thank you for the opportunity to express our views on this matter.

# Testimony of Michael Asato

Honolulu Authority for Rapid Transportation

Board of Directors Meeting

## Executive Session re *Kaleikini v. Yoshioka, et al.*

August 30, 2012

Good morning HART Board members. This testimony is in regards to executive session agenda item

To consult with the Board of Directors' attorneys on questions and issues pertaining to its powers, duties, privileges, immunities and liabilities pursuant to Hawaii Revised Statutes Section 92-4 and Section 92-5(a)(4) regarding the Supreme Court of Hawaii's Ruling in *Kaleikini v. Yoshioka, et al.*, SCAP-11-0000611.

motivated by attorney Hannah Miyamoto's comment to the *Civil Beat* article "Rail Derailed? Hawaii Supreme Court Rules Against Honolulu" (August 24, 2012 [\[link\]](#))

Today's decision does not change the legal standard for issuing an injunction.

Although *Kaleikini* has now satisfied "Substantial Likelihood to Prevail on the Merits," her showing of "Immediate Irreparable Harm" is weak and speculative.

The balance of interests between her and Honolulu taxpayers is clearly in favor of City taxpayers, given the huge cost of stopping construction — over \$100 million, I believe — and then restarting it later.

Therefore, there is no reason to expect the lower court will issue an injunction against construction, especially since the survey the plaintiff demanded has been underway for months. Consequently, the Court should *declare* the whole case moot and *dismiss* the Complaint.

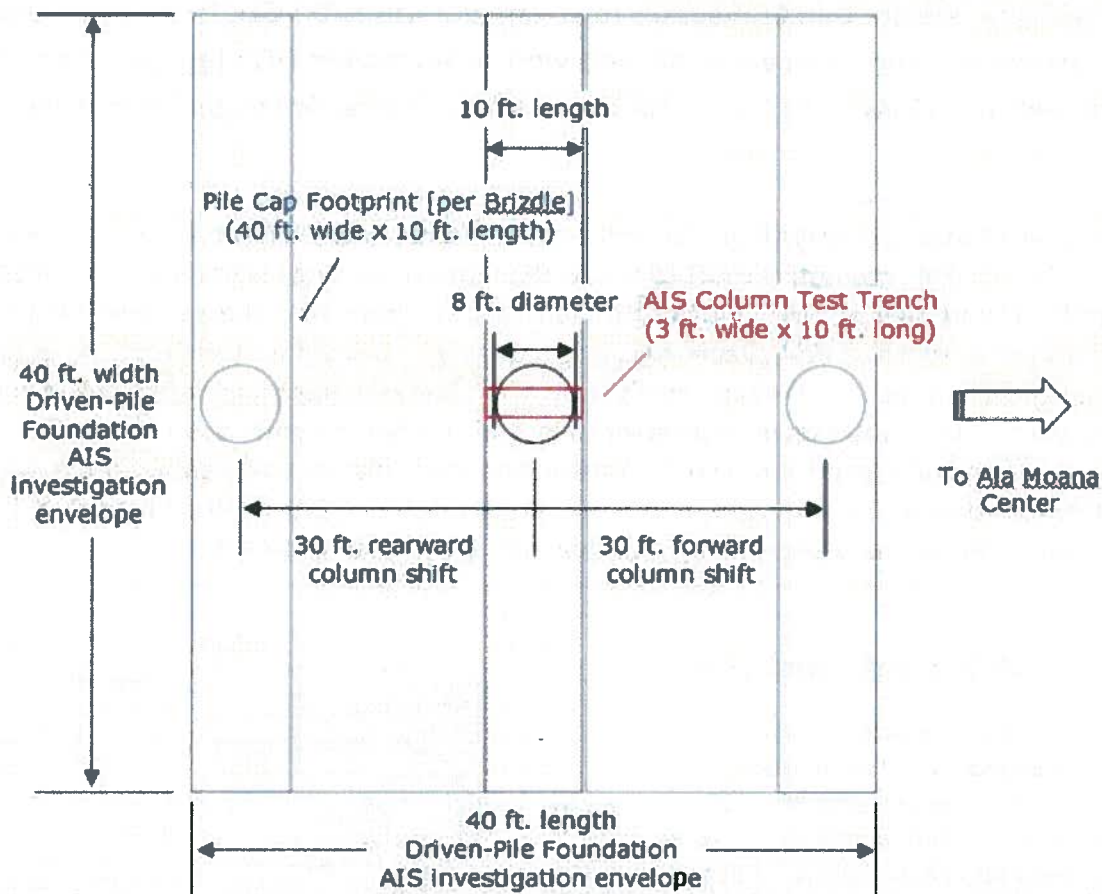
The high Court's interpretation of the law should have only *prospective* effect and not affect currently ongoing projects.

As the legal maxim goes, "That which is done cannot be undone."  
(*Factum est illud, fieri infectum non potest*)

to bring to your attention that HART's General Engineering Consultant (GEC) **Parsons Brinkerhoff's** (PB Americas) City Center archeological inventory survey (AIS) [\[link\]](#) may not be valid because HART's baselined drilled-shaft foundation design that the AIS excavation sampling strategy is based on has yet to be *validated* — and won't be validated until **geotechnical investigation** is conducted<sup>1</sup>. Moreover, should geotechnical investigation determine that the baselined drilled-shaft design is not suitable — and say a driven-pile design is required — not only will the AIS have to be redone, but that will likely lead to a massive multi-billion dollar cost overrun. Thus **Ms. Miyamoto** is *incorrect* because "the survey the plaintiff demanded has been underway for months" may be *defective* — and in the "balance of interests," construction should be stopped until an AIS with an excavation sampling strategy based on a *validated* foundation design (which in turn *requires* a geotechnical investigation) has been completed because there is the risk of a multi-billion dollar cost overrun. Furthermore, **GEC PB Americas** who proceeded *without* a validated foundation design should be *held responsible* and *pay* for the \$100 million cost of stopping construction.

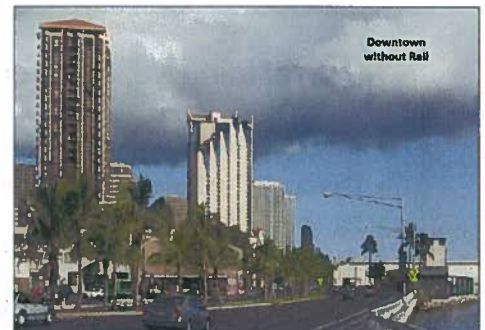
<sup>1</sup> As tasked under the City Center guideway design contract [RFQ [link](#), Acrobat p. 17]), which was just awarded on July 30, 2012 [\[article\]](#).

Should geotechnical investigation of the City Center determine that a **driven-pile foundation design**<sup>4</sup> with say 40 feet wide x 10 feet long x 5 feet deep concrete pile caps<sup>5</sup> is needed, then the **City Center Archeological Inventory Survey will have to be redone** with an excavation sampling strategy that reflects a much larger investigation envelope:



An engineering change order to a driven-pile foundation design will also likely lead to what Mayor Carlisle characterized as a “dramatic, unforeseen circumstance” (now forewarning the HART board, so no longer unforeseen!) **massive multi-billion cost overrun** in which the City will likely be forced to tap its \$450 million commercial paper facility [\[link\]](#) caused by

- delay from completely redoing the City Center AIS
- increased construction cost of the guideway in Kakaako due to the increased likelihood of encountering *iwi kupuna* (and reduced flexibility for moving the guideway columns)
- increased construction cost of the guideway along Nimitz Highway/Honolulu Harbor waterfront (where landfill soil there is very different from Waipahu farm soil).



<sup>4</sup> See Final EIS Appendix E: Construction Approach [\[link\]](#)

<sup>5</sup> See Appendix on John Brizdle’s Council testimony.

## Appendix

John Brizdle's testimony at a special meeting on Honolulu Rail before the Honolulu City Council Committee on Transportation & Transit Planning on May 12, 2011 [agenda [link](#)]:

Brizdle [video](#) 54:27]: Next, the City has not discussed the problems that they will encounter in rail segments [Phase III & Phase IV] with the underground construction. Because the soil in these segments is less firm than the soil in Kapolei, they will have to create huge underground cement blocks sitting on piles to support each of the hundreds of rail columns. **Structural engineers** that have tutored me on this subject are raising the alarm that the City faces huge engineering problems which make it impossible at this time to estimate the final cost of construction.



\* \* \*

Brizdle [video](#) 1:01:29]: So building downtown, not only in the downtown section but in the Kakaako section, they need to do surveys, and they haven't done them. And the **structural engineers** that are coming to me saying you know, what's the City going to do about this? What's it going to cost? They said the City needs a geotechnical survey. You drill holes and you see what is down there as far as the strength of the ground. They need to do an infrastructure survey, which means to find the utilities before someone can engineer a design to move them. And then they need to do an archeological survey. So this is all in front of us. It is all going to be very expensive. The City has no idea what it is going to cost. If there is a design-build contract the people will do these surveys and they will report, and they will figure out a design, and it will cost what it is going to cost. So let them do it, that's my point. Let them do all those surveys before they spend any more money because we know they are going to have to do it.

\* \* \*

Brizdle [video](#) 1:02:53]: Now the part that the City has really withheld from the public is how you build the rail. The City has talked a lot about the slender columns. The City has told the folks involved with *iwi kapuna* how slender the columns are, how easy they are to move [e.g., [article](#)]. What the City has not told you is that structurally those columns cannot move. The analogy is like they in our homes when you have 4 x 4 in our homes and we have that cement block underneath you call a tofu block, there is a huge tofu block underneath each of these 700 columns, and it may need to be as wide as the overhead structure which is 35 feet. It may need to be wider. And in downtown these are underground, they are called pile caps [link](#). They *cannot* move. They absolutely *cannot* move. They put piles underneath them. And in downtown Honolulu the structural engineers use a very technical term, it's called "muck." The piles have to sit on a coral shelf which could be 60 or 80 or 100 feet. So each of those slender piles that you see in your mind what you need to see is that there is a huge construction site. Maybe this pile cap is 40 feet by 10 feet by 5 feet thick, and they are driving piles down 100 feet in downtown. That is huge. Every single 150 feet you are going to have this. What's it going to cost? You have to move all the utilities underneath. They City has *never* shared this with the public. It's never been in the press. The Council has never discussed this. The bottom line is, it is going to cost a lot. Nobody knows what it is going to cost, and they won't know as was said so eloquently yesterday, until they do the tests. And the folks that are concerned about archeological sites and the *iwi kupuna*, they've been talk by the City that these columns are slender and easy to move. They were not told by the City that under beneath each of these underground, there is a pile cap that is massive. And it is going to require *everything* underneath that pile cap has to be moved. When the architects came forward and said light rail you only have to have a bed that is this wide and only 2 feet deep, the City said that's worse than rail. They misled you. They were not being straight with you. So again, let them figure this all out. Let's be transparent. Let's tell everybody what rail construction in segments [Phase III & Phase IV] is really going

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its defense that it *relied* on the expertise of GEOLABS, INC (transmitted to PB Americas by the City *without* due diligence validation)?

In response Department of Transportation Services (DTS) Director Wayne Yoshioka said:

DTS Director Yoshioka [\[video, 16:43\]](#): The other thing that I'd like to comment on came from Mr. Brizzle with regard to the comment on the foundations for the columns. In fact I believe he even handed out to the Council a sketch of a foundation for column, and I would to just note that sketch probably has no basis in terms of looking at really has to support and what the grounds are like as they are right now. If you look at what RTD is going through right now they are doing significant testing to understand what the foundations have to look like, and in fact they are using drilled shaft as opposed to what this guy is showing in his sketch. So again, I really think that my comment to Mr. Brizzle at the time I looked at it at first when he showed it to me was that if person who drew that sketch was willing to put their name on that sketch and make some kind of assertion that they stand behind that sketch then I would show that a lot more credibility than it has right now in my mind because it is right now just a sketch without any backup as to as how it got there, and it certainly *doesn't* look like any of the foundations I've seen conceptually drawn for this project.

Director Yoshioka may have *misspoke* in his attempt to *discredit* Mr. Brizzle's testimony on pile caps because Figure E-2 in Appendix E: Construction Approach of the Honolulu Rail Final EIS [\[link, pp. 2-4\]](#) illustrates a conceptual drawing of a driven-pile foundation:

### Foundations

Foundations for the various system components would be dictated by structural demands and existing subsurface conditions. Two foundation construction methods would be used to support the aerial guideway structure: drilled shafts, which would be integral with columns; and driven piles, which would require pile caps for connection to columns. Test holes will be bored at anticipated foundation locations to determine soil conditions.

• • •

In cases where lateral loads are too large for drilled shafts or where geotechnical or other site conditions prohibit their use, foundations would consist of multiple drilled or driven piles with pile caps (Figure E-2). Piles around the perimeter of the foundation may be battered to improve the foundation's lateral load-bearing capacity. A drilled-pile foundation would include multiple small drilled shafts, each constructed as described above and connected with a pile cap as described for the driven-pile foundation. Piles may be driven by striking the pile with a heavy weight, vibrating the pile, or jacking the pile into the ground.

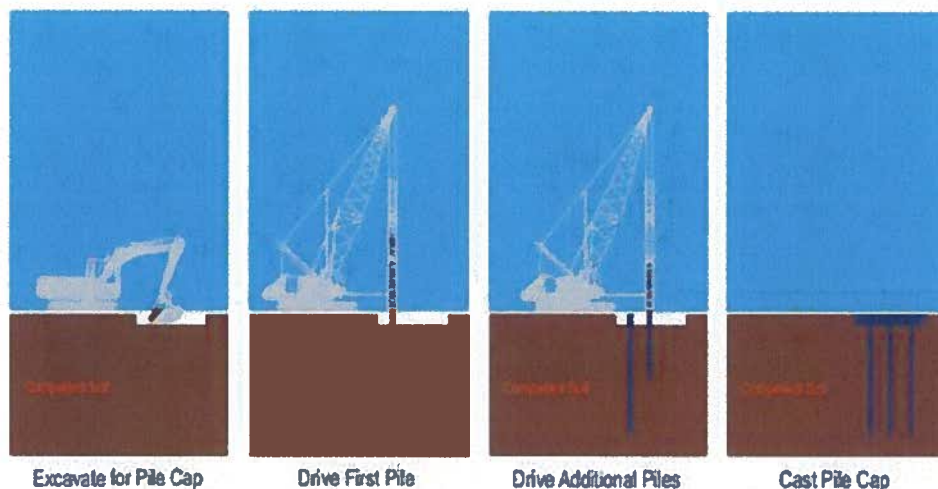


Figure E-2 Driven-pile Foundation Construction Piers



August 30, 2012

*Working together for Kapolei*

Honolulu Authority for Rapid Transportation  
Alii Place, Suite 1700  
1099 Alakea Street  
Honolulu, Hawaii 96813

Subject: Board of Directors Meeting  
Kapolei Hale, Conference Room A  
1000 Ulohia Street  
Kapolei, Hawaii

Honorable Chair Carrie Okinaga, and members of the HART Board of Directors.

Aloha! By way of introduction, my name is Todd Bedford, a member of the Board of Directors of the Kapolei Chamber of Commerce and the owner of Lifeline & Fire Security located here in Kapolei. I am here to represent the voice of the businesses in this region.

The Kapolei Chamber of Commerce is an advocate for businesses in the Kapolei region. The Chamber works on behalf of members and the entire business community to improve the regional and State economic climate and help Kapolei businesses thrive. The Chamber is a member-driven, member-supported organization representing the interests of all types of business: small, medium or large, for profit or non-profit businesses or sole proprietorships.

(more)

(2)

Much of Oahu's future population growth is slated for Kapolei and the Ewa region. Exciting things are happening and Kapolei is quickly becoming a new urban center for Oahu. In the next 23 years, there will be an additional 40,000 jobs in the region, and 50,000 homes. We understand that 160,000 residents will one day call Kapolei home.

The Kapolei Chamber and its members have long been in support of Honolulu's rail transit project. We view rail as an important component of critical transportation infrastructure that will facilitate the growth, development and long term prosperity of the city of Kapolei. Rail is as important as the new schools, roads, solid waste and potable water facilities and other public services and infrastructure being developed or under consideration that will all go to serve the residents and businesses of our rapidly growing community.

We wish to express our continued support for the rail project, and respectfully urge the HART board to keep the rail project moving ahead and to minimize future delays while respecting Native Hawaiian burial sites. We believe that it is possible to respect the past while caring for our future.

Mahalo for your consideration of our testimony.

###



## LABORERS' INTERNATIONAL UNION OF NORTH AMERICA LOCAL 368



**PETER A. GANABAN**  
*Business Manager/  
Secretary-Treasurer*

**ALFONSO OLIVER**  
*President*

**JOBY NORTH II**  
*Vice President*

**TONI FIGUEROA**  
*Recording Secretary*

**THOMAS CATHCART**  
*Executive Board*

**JAMES DRUMGOLD JR.**  
*Executive Board*

**LEIMOMI JOHNSON**  
*Executive Board*

**MARK MAGUSARA**  
*Auditor*

**MARK TRAVALINO**  
*Auditor*

**JOSEPH YAW**  
*Auditor*

**LEUMA L. LEATUMAUGA**  
*Sergeant-At-Arms*

August 29, 2012

H.A.R.T Board of Directors

Carrie K. S. Okinaga, Esq. Chair


Chair Okinaga and Members of the Board:

The recent court ruling relative to cultural surveys along the route of the rail project presents a challenge in maintaining a planned construction schedule but we are confident in the abilities of the contractors, engineers, program managers, staff and leadership of the rail project to be able to make a strategic shift in its resources to perform the survey in compliance with the order.

We especially support the efforts of Executive Director Mr. Dan Grabauskas in meeting this new challenge and request the total support and understanding of the Board in keeping the project viable and moving forward under his leadership.

The rationale for seeking the professional services and executive expertise of an experienced transportation leader like Mr. Grabauskas is self evident.

Sincerely,

  
for Peter Ganaban, Business Manager/Secretary-Treasurer  
Hawaii Laborers Union

## ATTACHMENT A

# **Honolulu Authority for Rapid Transportation Annual Report for Fiscal Year 2012**

Carrie Okinaga, Chair  
Ivan Lui-Kwan, Vice-Chair  
Robert Bunda  
William Hong  
Donald Horner  
Keslie Hui  
Damien Kim  
Glenn Okimoto, Ex-Officio  
David Tanoue, Ex-Officio  
Wayne Yoshioka, Ex-Officio

Daniel Grabauskas, Executive Director and Chief Executive Officer  
(as of April 9, 2012)

The Honolulu Authority for Rapid Transportation (HART) came into existence July 1, 2011, pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter), when it assumed the duties and responsibilities of the Rapid Transit Division of the City & County of Honolulu Department of Transportation Services. The Charter Amendment establishing HART was approved by voters in the 2010 general election, which followed public approval of a fixed guideway system in 2008. Like the Board of Water Supply, HART functions as a semi-autonomous agency of the City & County of Honolulu government.

## **POWERS, DUTIES AND FUNCTIONS**

HART is authorized to develop, operate, maintain and expand the high-capacity fixed guideway rapid transit system in the highly congested east-west corridor of the City and County of Honolulu. Among its responsibilities are directing the planning, design, and construction of the fixed guideway system and operating and maintaining the system; preparing and adopting annual operating and capital budgets; applying for and receiving grants of property, money and services, and other assistance for capital or operating expenses; making administrative policies and rules to effectuate its functions and duties; and to promote, create and assist transit oriented development projects near fixed guideway system stations that promote transit ridership.

## PROJECT OVERVIEW

The Honolulu Rail Transit Project (H RTP or Project) is a 20.1-mile rail transit system in Honolulu extending from East Kapolei in the west to Ala Moana Center in the east via the Honolulu International Airport. The Project is intended to provide a high-capacity, high-speed transit service in the highly congested east-west corridor, and to improve mobility, transit reliability, and service equity for over 68 percent of Oahu's residents and over 83 percent of its workforce who live and work in the areas within and connecting to this corridor, and for its many visitors. Revenue service from East Kapolei to Aloha Stadium is expected to start in Fiscal Year (FY) 2016, and service to Ala Moana Center is expected to start in FY 2019.

HRTF will be fully integrated with fixed route bus services (TheBus) provided by Oahu Transit Services, Inc., which will be reconfigured to add feeder bus service to provide increased frequency and more transfer opportunities between bus and rail. The new rail and enhanced TheBus service will provide additional travel options, increase service frequencies, expand the hours of operation, minimize wait times, reduce total travel times, improve service reliability, and enhance comfort and convenience for passengers, resulting in over 20 million hours of user benefits annually.



## ORGANIZATION

The HART Board of Directors presides over and determines HART policies. The Board is comprised of ten members: three appointed by the Mayor; three appointed by the City Council; three ex-officio members who serve in their

capacities as the Director of the State Department of Transportation, Director of the City Department of Transportation Services, and Director of the City Department of Planning and Permitting; and one member appointed by the Board of Directors. The Director of the City Department of Planning and Permitting is the only non-voting member.

The Board appoints the HART Executive Director and CEO, who provides leadership and direction for the organization while supervising HART's day-to-day business activities.

HART is comprised of several divisions:

- **Engineering and Construction** – the largest division, responsible for planning, designing, and building the H RTP.
- **Civil Rights** – administers various civil rights and related programs to ensure compliance with applicable laws, to include equal employment, affirmative action, Americans with Disabilities Act (ADA), and the Disadvantaged Business Enterprise (DBE) program.
- **System Safety & Security** – establishes and implements policies and procedures for systemwide safety and security according to applicable laws and guidelines from design through operations.
- **Budget and Finance** – ensures that HART's financial resources are efficiently and effectively managed by providing support for all of HART's financial and fiscal functions, including general accounting, grants and Federal funding management, accounts payable, planning and analysis, inventory, fixed assets, and procurement.
- **Administration and Controls** – provides overall project and administrative oversight to include project controls, real estate acquisitions, document controls, administrative services, configuration, and risk management.
- **Quality Assurance** – develops and ensures implementation of the Quality Management Plan for HART and its contractors.
- **Public Information** – provides comprehensive strategic and educational communication services and support to HART, including communication with key stakeholder groups such as the general public, community/advocacy groups, neighborhood boards, business/community leaders, impacted residents and businesses, and the media.
- **Government Relations** – formulates and recommends strategy to guide HART's local legislative and regulatory initiatives; identifies issues which may impact H RTP, including existing and proposed local legislation; assists senior management in providing appropriate input and responses; and acts as a liaison and representative of HART between City and County, State and Federal government entities.

## ACCOMPLISHMENTS

### HART ORGANIZATIONAL STARTUP ACTIVITIES

The Board of Directors began its first year by adopting Operating Rules, Operating and Capital Budgets, and policies on Finances, Ethics, Procurement, Equal Employment Opportunity and Transparency at their very first meeting. The Board formed five committees (Audit/Legal Matters, Finance, Human Resources, Project Oversight, and Transit Oriented Development), and together selected a tenth Board member. The Board also approved a 2012 Business Plan and a Six-Year Capital Improvement Program.



The HART Board of Directors engaged in discussion

On March 1, 2012, after an extensive search, the Board appointed Daniel A. Grabauskas as its Executive Director and CEO. Mr. Grabauskas came with extensive experience in public transit, government, and capital projects, having served as the General Manager of the oldest public transportation system in the country, the Massachusetts Bay Transportation Authority.

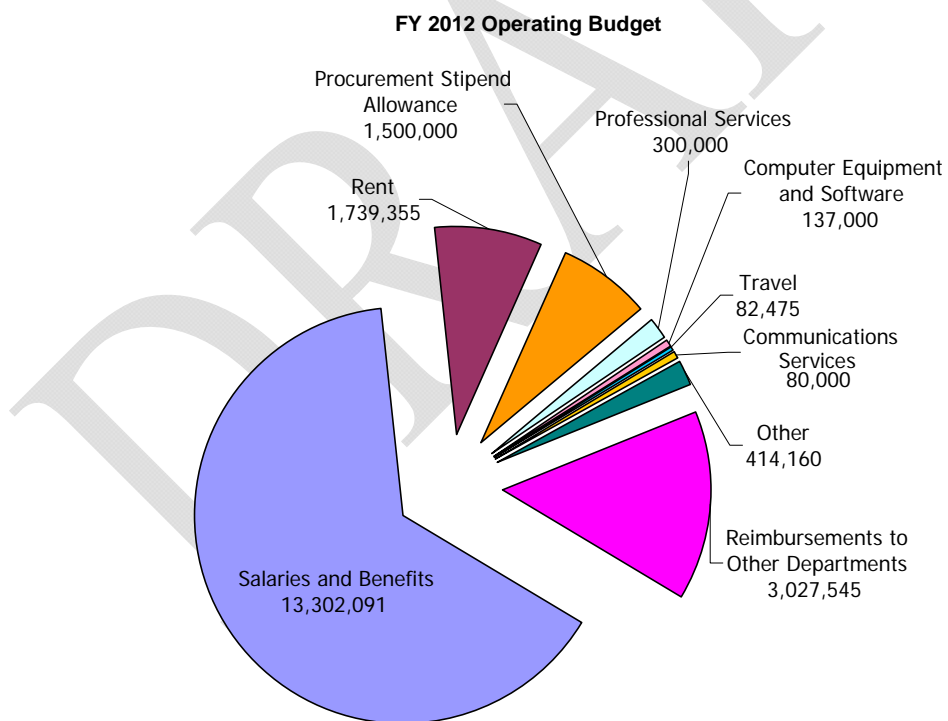
Other key staff positions, such as the Chief Operating Officer and Chief Financial Officer, have also been filled.

## FINANCE

The FY 2012 Operating and Capital Budgets for HART's first year of existence were submitted to Mayor Peter B. Carlisle and the City Council, excluding any request of City general fund monies. However, these budgets included monies for direct reimbursement to the general fund and Central Administrative Services expense. The budgets were adopted by the Board on July 1, 2011.

### Operating Budget

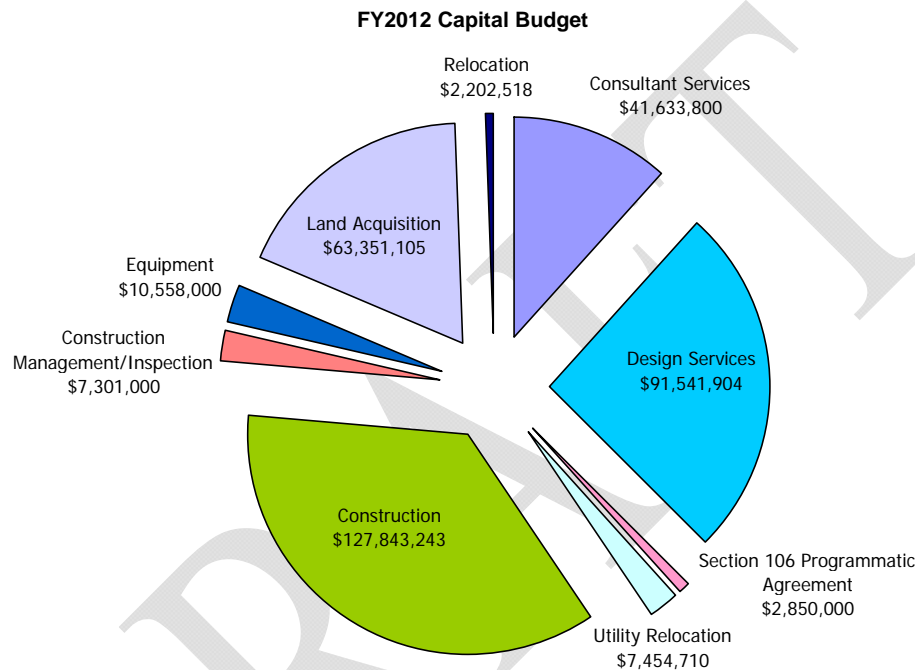
HART's Operating Budget has three cost components: HART personnel, current expense, and equipment. HART personnel costs include wages for City employees and employer fringe benefits. The current expense category includes costs for the day-to-day operations of HART (e.g., office rent, supplies, computer equipment and software), and reimbursements to other City departments for services rendered. The equipment category in the operating budget is for items with a unit cost of \$5,000 or more and a service life of less than five years. The table below provides a breakdown of the FY 2012 Operating Budget. The FY 2012 Operating Budget does not include monies for equipment.



Source: HART Business Plan for FY 2012

## Capital Budget

The FY 2012 Capital Budget is made up primarily of projected contracts, right-of-way acquisitions, and relocations related to the design and construction of the H RTP consistent with the work planned for the year. There is a small amount of money budgeted for purchasing equipment related to agency operations. The following table provides a breakdown of expenditures by project budget component for the H RTP:



Source: HART Business Plan for FY 2012

## Local Funding

The dedicated local funding source for the implementation of the Project is an established one-half percent (0.5 percent) county surcharge on the State of Hawaii's General Excise and Use Tax (GET). The GET surcharge commenced on January 1, 2007, and under current enabling legislation, will be levied through December 31, 2022. GET revenue collections through March 31, 2012 totaled \$860 million, or 23% of the expected total.

## Federal Funding

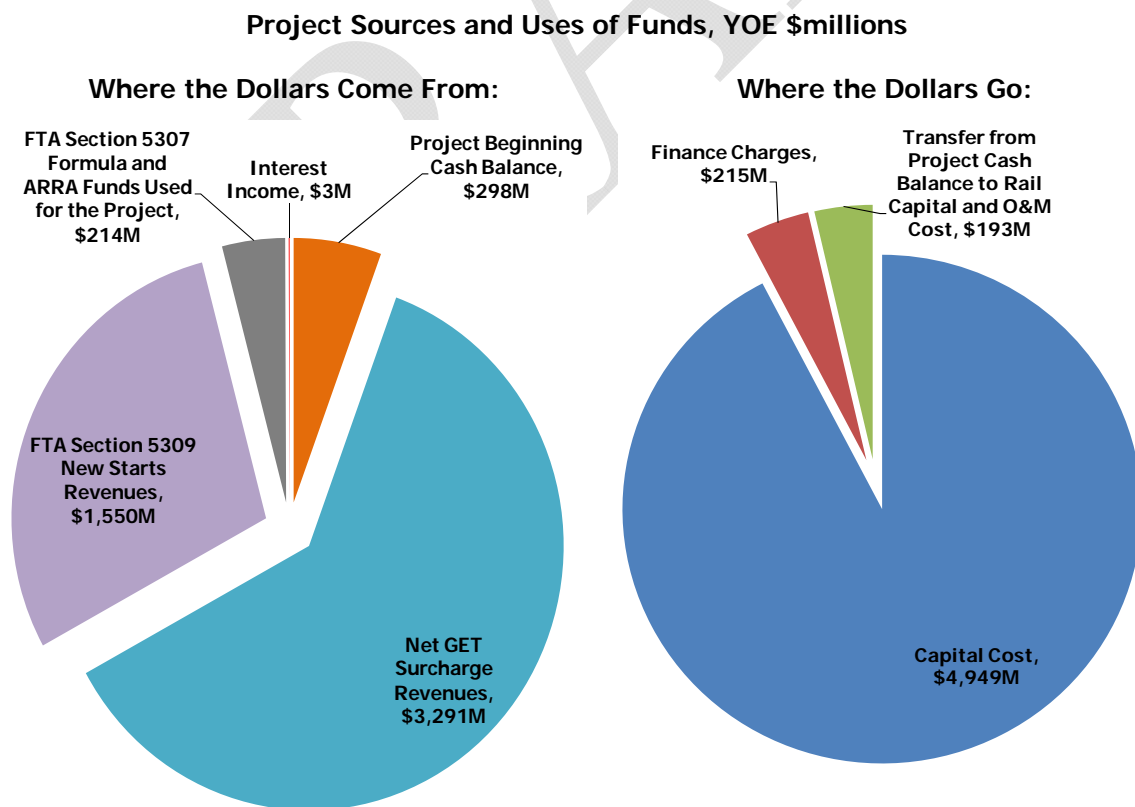
The Project received several key approvals from the Federal Transit Administration (FTA), including approval to enter Final Design and approval to begin limited construction activities on the first major components of the future rapid transit system.

HART, in coordination with FTA, worked to complete many items required for the Full Funding Grant Agreement (FFGA), and on June 29, 2012, submitted to FTA the request for an FFGA. The request is for \$1.55 billion of federal New Starts funding. The multi-year FFGA between the FTA and the City and County of Honolulu (the Grantee) is expected to be in place before the end of 2012. The FFGA request submission also included completion of the Financial Plan.

HART recently received reaffirmations of support from the highest levels of government, including President Barack Obama, U.S. Secretary of Transportation Ray LaHood, FTA Administrator Peter Rogoff, U.S. Senators Daniel Inouye and Daniel Akaka, and U.S. Representatives Mazie Hirono and Colleen Hanabusa.

### Project Financing

On June 6, 2012, the Honolulu City Council approved and Mayor Peter Carlisle signed into law an ordinance for the City's tax-exempt commercial paper facility that increased the total authorized amount from \$350 million to \$450 million. This authorization came in response to the FTA's requirement that HART demonstrate the availability of additional revenue sources that could be tapped should unforeseen events occur.



Note: Totals may not add due to rounding  
ARRA = American Recovery and Reinvestment Act

Source: Financial Plan, June 2012

## STAFFING/RESOURCES

The FY 2012 Operating Budget includes funding for 136 full time positions, 119 of which were filled at the end of the fiscal year. This compares to 110 positions authorized in the FY 2011 Budget. The staffing level is designed to ensure that HART has the technical capacity and capability to manage the implementation of the H RTP and meet the requirements of the FTA for managing major “New Starts” projects that are receiving FTA funding. The following chart provides a summary breakdown of the positions reflected in the FY 2012 Budget by job category along with comparable information for the FY 2011 Budget staffing plan:

<b>Job Category</b>	<b>FY 2011</b>	<b>FY 2012</b>
General Management	3	3
Engineering/Design/Construction Management	40	43
Project Control, Real Estate and Procurement	32	39
Other Professional	12	19
Administration	11	17
Administrative Support	12	15
<b>TOTALS</b>	<b>110</b>	<b>136</b>

## LAND ACQUISITION

The Right-of-Way section continued its efforts in FY 2012 on acquisitions and relocations in all sections of the alignment. Acquisitions included full and partial acquisitions, as well as acquisitions of easements.

<i>Section</i>	<b>Original # Parcels in FEIS</b>	<b>Current # Parcels Needed</b>	<b>Ready for Construction</b>	<b>Agreements In Process</b>	<b>Appraisals in Process</b>	<b>Offers</b>	<b>Acceptance</b>	<b>Relocation Complete (Relocations Exceed Parcels)</b>
<b>FULL ACQUISITION</b>								
<b>Total</b>	<b>40</b>	<b>38</b>	<b>12</b>	<b>0</b>	<b>5</b>	<b>4</b>	<b>7</b>	<b>21</b>
<i>WOFH</i>	<i>14</i>	<i>14</i>	<i>10</i>	<i>0</i>	<i>0</i>	<i>1</i>	<i>3</i>	<i>17</i>
<i>KHG</i>	<i>5</i>	<i>3</i>	<i>1</i>	<i>0</i>	<i>0</i>	<i>1</i>	<i>1</i>	<i>1</i>
<i>Airport</i>	<i>5</i>	<i>5</i>	<i>0</i>	<i>0</i>	<i>4</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>City Center</i>	<i>16</i>	<i>16</i>	<i>1</i>	<i>0</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>3</i>
<b>PARTIAL ACQUISITION</b>								
<b>Total</b>	<b>163</b>	<b>133</b>	<b>7</b>	<b>8</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>
<i>WOFH</i>	<i>18</i>	<i>10</i>	<i>6</i>	<i>2</i>	<i>0</i>	<i>1</i>	<i>0</i>	<i>0</i>
<i>KHG</i>	<i>21</i>	<i>7</i>	<i>0</i>	<i>4</i>	<i>0</i>	<i>3</i>	<i>0</i>	<i>0</i>
<i>Airport</i>	<i>31</i>	<i>34</i>	<i>1</i>	<i>2</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>City Center</i>	<i>93</i>	<i>82</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>2</i>	<i>0</i>	<i>0</i>
<b>EASEMENTS</b>								
<b>Total</b>	<b>12</b>	<b>13</b>	<b>3</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>WOFH</i>	<i>6</i>	<i>6</i>	<i>3</i>	<i>3</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>KHG</i>	<i>0</i>	<i>1</i>	<i>0</i>	<i>1</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Airport</i>	<i>1</i>	<i>1</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>City Center</i>	<i>5</i>	<i>5</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<b>GRAND TOTAL</b>	<b>215</b>	<b>184</b>	<b>22</b>	<b>12</b>	<b>5</b>	<b>10</b>	<b>7</b>	<b>21</b>

*FEIS=Final Environmental Impact Statement, WOFH = West Oahu/Farrington Highway, KHG = Kamehameha Highway Guideway*

## TRANSIT ORIENTED DEVELOPMENT (TOD)

HART is the steward of a large-scale public investment, which includes important real property assets essential to HART's operation. These assets also contribute to the ongoing financial viability of the transit system. Federal, state, and regional policy direction to concentrate growth around transit further enhances the value of these assets. By promoting high quality, more intensive development on and near transit properties purchased or created by HART, the agency can increase ridership, support long-term system capacity and generate new revenues for transit. Also, such development creates attractive investment opportunities for the private sector and facilitates local economic development goals.

The State and City control the planning and permitting authorities for most of the land along the 20-mile corridor. Coordination of the activities between the respective agencies is necessary to successfully leverage public and private investment in the corridor. In coordination with HART, both the State and City are preparing station area plans and revisions to the land use regulatory requirements, which will provide the policy framework for private development. In this regard, HART is assisting in the development of a program to implement transit oriented redevelopment districts by working with the City (including City Council and the Department of Planning and Permitting (DPP)), related State entities (including the Hawaii Community Development Authority (HCDA)), and private developers for planning districts located in and around rail transit stations. The program would redevelop the surrounding areas into vibrant mixed-use neighborhoods consisting of workforce and affordable housing, retail shopping locations, and other infrastructure improvements necessary to improve safety, promote healthy lifestyle habits such as walking and biking, and increase rail ridership.

For the City, DPP is responsible for developing TOD neighborhood plans and zoning regulations for station TOD areas for the eventual adoption by the City Council. HART planning staff provides support to DPP in its planning efforts, including coordination with other City and State agencies, special interest groups (e.g., disabled and elderly), and the private sector to resolve such issues as modal connectivity, station access, safety and security.

To date, 19 of the 21 stations are addressed in the following TOD plans, which are in various stages of the planning process:

- Waipahu Neighborhood TOD Plan (Waipahu Transit Center and West Loch stations)
- East Kapolei Neighborhood TOD Plan (Hoopili, U.H. West Oahu and East Kapolei stations)
- Aiea- Pearl City Neighborhood TOD Plan (Leeward Community College, Highlands, and Pearlridge stations)

- Ala Moana Neighborhood TOD Plan (Ala Moana Center station)
- Aloha Stadium TOD Plan
- Pearl Harbor TOD Plan
- Airport TOD Plan
- Lagoon Drive TOD Plan

In addition to providing TOD planning support, the HART Planning and Environment Team has focused its efforts on identifying opportunities for joint development (JD) near to or integrated with stations. This work is performed in conjunction with present and future TOD planning, and will conform to the community plans and zoning proposed by DPP and adopted by the City Council. HART planning staff will seek advice, planning, urban design support, and targeted recommendations from DPP in an effort to explore potential JD opportunities (HART-owned land within an easy walk to transit) at various stations. HART will also look for the assistance of the State's Public Land Development Corporation (PLDC) in identifying potential private and public partners in the JD along the HART right-of-way.

During FY 2013, HART staff will actively pursue, develop, and execute MOUs and MOAs with public and/or private owners of land within close proximity of each planned transit station to directly access the station from their proposed development. DPP will be a critical partner in developing these connections.

## UTILITIES

The HART Utility team is responsible for formulating, negotiating and executing utility agreements between HART and private utility owners to reimburse a utility for its efforts in either:

- A) Reviewing HART infrastructure design drawings and/or designing the Utility's relocation design (also known as an Engineering Service Agreement, or ESA); or
- B) Performing construction work to relocate its utility facilities as necessitated by the Project (also known as a Utility Construction Agreement, or UCA).

There are ten (10) private utility owners with facilities in the Project corridor. With a potential for one ESA and one UCA for each of the ten utility owners on each of the four geographic sections of the Project, there may be as many as eighty (80) utility agreements over the life of the Project.

All necessary ESAs for the West Oahu/Farrington Highway (WOFH) section of the Project were executed prior to FY 2012. During FY 2012, the HART Utility team accomplished the following:

- 1) All but one necessary UCA for the WOFH section were executed. The one remaining agreement to be executed is not, at this point, delaying construction.
- 2) All necessary ESAs for the Kamehameha Highway Guideway (KHG) section of the Project were executed.
- 3) A combined Engineering and Construction agreement with Hawaiian Electric Company (HECO) was executed for each of the WOFH and KHG sections.
- 4) All ESAs for the Airport section (some were combined with City Center) were drafted and transmitted to the utility owners.
- 5) All UCAs for the KHG section are nearing finalization for transmittal to the utility owners.

### SAFETY AND SECURITY

The Safety and Security team focused its efforts in FY 2012 on Safety and Security Certification (SSC), which is required by the FTA, and assures system safety at the time of commission. Headed by a new Safety and Security Manager with more than 30 years of experience in the field, the team conducted SSC training of HART contractors and staff, worked to create an online system to facilitate certification work, and developed Threat and Vulnerability Assessments for the entire system and the Airport. Additionally, it worked with the State Department of Transportation in hiring the consultant who will develop the FTA-required Oversight Plan. Discussions with the Honolulu Police Department have begun on the Project's need for security and policing.

### QUALITY ASSURANCE

The HART-established Quality Assurance (QA) System was effectively implemented during the past year. The Quality Management Plan (QMP), which establishes and documents the guidelines and goals of the QA system, was revised to describe the transition from RTD to HART, and to incorporate FTA's comments for the Full Funding Grant Agreement (FFGA).

The major focus of QA activities included performing QA audits and surveillances, mentoring and training appropriate staff to assure that suitable proficiency is achieved and maintained, and participating in Quality Task Force meetings with general engineering consultant Parsons Brinckerhoff, contractors, and consultants. The Quality Assurance team also reviewed, approved, and monitored the Quality Assurance Plans (QAP) required of all contractors, consultants and suppliers for HDR Engineering, Inc. (Farrington Highway Station Group Construction), Kiewit Infrastructure West, Co. (WOFH and KHG), Kiewit Kobayashi Joint Venture (Maintenance and Storage Facility), AECOM Technical Services, Inc. (Airport Utility and Guideway), and Ansaldo Hawaii Joint Venture (Core Systems Contract).

## PLANNING AND ENVIRONMENT

Planning and Environmental Studies group activities focused on compliance with the Record of Decision (ROD) issued by the FTA on January 18, 2011. The Section 106 Programmatic Agreement (PA), which was entered into in January 2011, includes various tasks that are required to be implemented to mitigate any adverse effect of the Project on historic properties. During FY 2012, the Archaeological Inventory Survey (AIS) fieldwork and reporting was completed for the KHG section, and started for Airport and City Center Sections; no *'iwi kupuna* (Native Hawaiian burials) have been discovered to date. The AIS for the WOFH section had been completed previously, also with no burials discovered. Additional Traditional Cultural Properties studies were completed for Sections 1 - 3. The Planning and Environmental Studies group tracked compliance with the 208 environmental mitigation commitments identified in the ROD Mitigation Monitoring Program in connection with all executed design and construction contracts through individual Environmental Compliance Plans.

## GOVERNMENT RELATIONS

During the 2012 State legislative session, HART's Government Relations team tracked nearly fifty legislative initiatives of interest to HART relating to administrative procedures, economic development, environmental impact statements, contracts and procurement. Only the following three measures were signed into law:

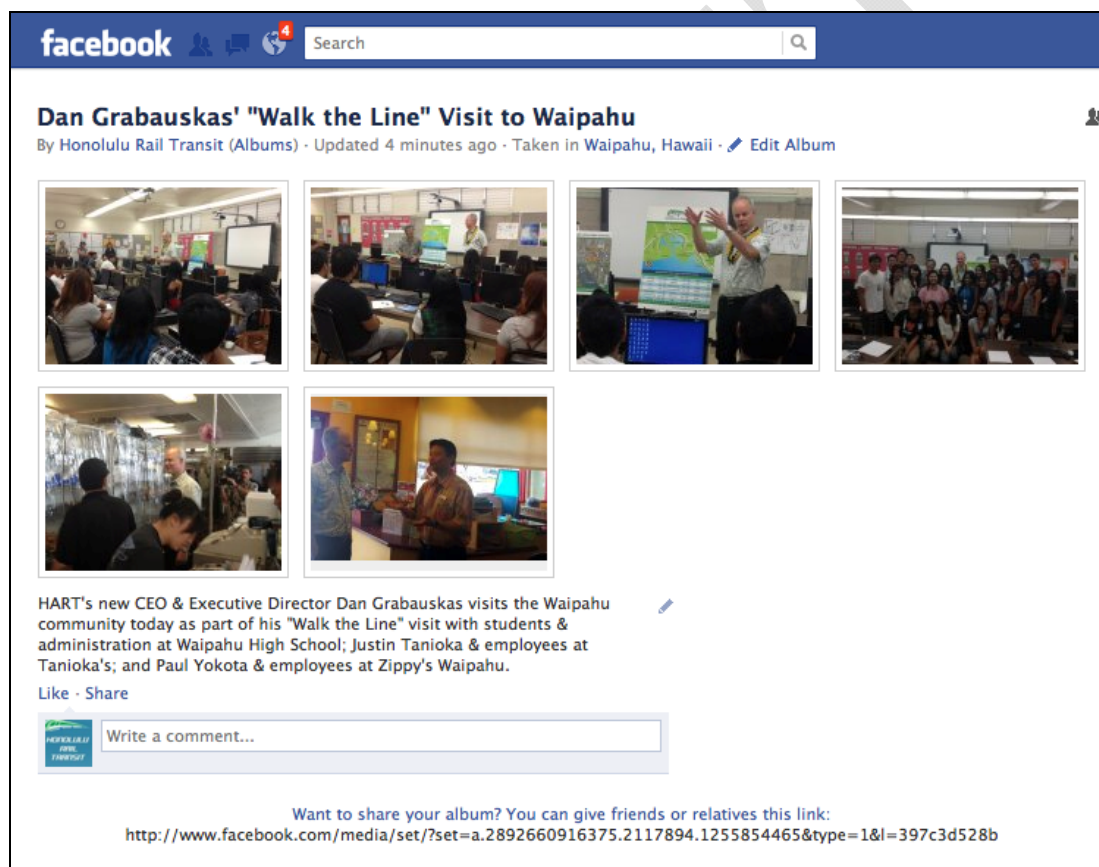
- Act 172 (12) (SB2281): This measure, supported by the Office of Environmental Quality Control and The Outdoor Circle, authorizes agencies to bypass the preparation of an environmental assessment and proceed directly to the preparation of an environmental impact statement, or allow an applicant to do the same, if the agency determines that an environmental impact statement is likely to be required for a proposed action.
- Act 177 (12) (SB2859): This measure allows board and commission members to hear testimony for a meeting canceled for lack of quorum and to attend informational meetings.
- Act 231 (12) (HB2347): This measure allows the City to issue general obligation bonds that are secured by a pledge of receipts, including rates, rentals, fees, charges, taxes or grants, other than real property tax and revenue, when securing general obligation bonds. The City's Department of Budget and Fiscal Services introduced this measure in order to pledge general excise tax surcharges to repayment of the debt and associated costs of general obligation bonds issued on behalf of HART.

During the FY 2012 time frame, one of the significant issues approved by the City Council was Ordinance 12-17 relating to the issuance of commercial paper. This

measure established a method for short-term borrowing as a safeguard for Honolulu's rail project by allowing the City to issue up to \$450 million in commercial paper as required by the Federal Transit Administration.

## PUBLIC OUTREACH AND INVOLVEMENT PROGRAM

In FY 2012, the Public Involvement Team (PIT) continued its efforts in informing and updating the public about the Project. From January to July 2012, public outreach members conducted and attended 202 community presentations and events, and provided Project updates at 79 Neighborhood Board meetings. As part of that outreach, a series of islandwide community presentations were held in September 2011 and May 2012 in urban Honolulu, Salt Lake, East Honolulu, Kalihi, Waipahu, Kapolei, Mililani and Kaneohe.



Social Media is used to inform the public about H RTP

The team produced a monthly television program, "Honolulu on the Move," and employed social media (i.e., Facebook and Twitter) to inform the public about the Project, as well as through the Project website, [www.honolulutransit.org](http://www.honolulutransit.org). It also distributed newsletters to 15,000 subscribers.

In March 2012, the team helped coordinate the introduction of the new Executive Director and Chief Executive Officer, Daniel A. Grabauskas. In step with Mr.

Grabauskas' pledge for increased transparency and openness, more than 150,000 pages of Project-related documents were posted on the HART website for public viewing.

Along with working with various print/broadcast reporters, Mr. Grabauskas appeared on numerous local television and radio talk shows to update audiences about Project news and milestones. Highlights included the start of column construction along the first phase of the route and the request submittal to the Federal Transit Administration for \$1.55 billion in federal funding.

Public outreach members canvassed various neighborhoods along the alignment to update businesses and residents on the ongoing construction. Mr. Grabauskas also initiated a "Walk The Line" campaign in which he visits residents and businesspeople along the rail alignment to hear their questions and concerns about construction. A 24-hour hotline was also set up to handle questions and inquiries about the Project.

As part of its youth education program, the outreach team worked with college and high school students to increase their understanding and involvement in the Project. One example is HART working with the State Department of Education's Career & Technical Office on a new educational pathway focusing on the transportation industry and STEM skills (science, technology, engineering and math).

## LITIGATION

Kaleikini v. Yoshioka, et al., SCAP-11-0000611, Supreme Court, State of Hawaii. On January 31, 2011, Plaintiff Paulette Kaleikini filed a lawsuit in the First Circuit Court challenging the approval of the Final Environmental Impact Statement as well as other approvals for the City's rail transit project. Plaintiff alleged various State law violations but primarily alleged that an archaeological inventory survey (AIS) had not first been completed for the entire 20-mile Project alignment. Instead, the Project was proposed to be built in four sections, with an AIS to be completed for each section prior to any construction taking place in that section. The case involved both City and State of Hawaii defendants. The Circuit Court granted the City Defendants' Motion to Dismiss Complaint and/or for Summary Judgment, and denied the Plaintiff's Motion for Preliminary Injunction and Motion for Reconsideration. In doing so, the Circuit Court determined that the phased approach for AIS completion proposed for the rapid transit project met applicable State law requirements. Plaintiff filed an appeal in the Intermediate Court of Appeals, where the appeal was fully briefed by all parties. The case was then transferred to the Hawaii Supreme Court. Shortly after the transfer, the Plaintiff-Appellant filed a motion for injunctive relief pending appeal, which the court denied. Oral argument occurred on May 24, 2012, and the parties are awaiting a decision.

HonoluluTraffic.com, et al., v. Federal Transit Administration, et al., Case No. 11-00307 AWT, United States District Court for the District of Hawaii.

On May 12, 2011, Plaintiffs, including HonoluluTraffic.com, Cliff Slater, Ben Cayetano, Walter Heen and Randall Roth, filed a lawsuit against the FTA and the City alleging that the Defendants violated federal law in approving the City's rail transit project. Among other claims, the Plaintiffs alleged (1) that the Defendants improperly studied only the first 20 miles of the Project from East Kapolei to Ala Moana Center and not the full route to Waikiki and the University of Hawaii at Manoa, (2) that alternatives to the Project were not properly considered, (3) that potential native Hawaiian burial sites were not studied prior to approval of the Project, and (4) that the Defendants failed to comply with Section 4(f) of the federal Department of Transportation Act which prohibits the approval of a federally-funded transportation project that "uses" recreational or historic sites unless there is no prudent and feasible alternative to using that land, and the Project includes all possible planning to minimize harm to the site. Ninth Circuit Court of Appeals' Senior Judge A. Wallace Tashima was assigned the case. In February 2012, the Defendants filed the Administrative Record (the documents on which the case will be decided), consisting of over 14,000 documents and over 150,000 pages. In April 2012, The Outdoor Circle joined the case as a Plaintiff, and Faith Action for Community Equity (FACE), Pacific Resource Partnership (PRP), and Kapolei resident Melvin Uesato were allowed to intervene as defendants. In May 2012, the Court granted in part the City Defendants' two motions for summary judgment on some of the Plaintiffs' Section 4(f) claims, reducing the claims regarding impacts on recreational and historic sites from more than 40 claims to less than 10 claims. The parties have fully briefed the remainder of the Plaintiffs' claims, the National Trust for Historic Preservation filed an *amicus* brief on behalf of the Plaintiffs, and Judge Tashima will hear oral argument on August 21, 2012.

Bombardier Transportation (Holdings) USA Inc. v. Director, Department of Budget and Fiscal Services, et al., Case No. CAAP-11-0000756, Intermediate Court of Appeals, State of Hawaii.

Bombardier, an offeror for the H RTP Core Systems Contract, was disqualified from the procurement in March 2011 on the basis that its offer was nonresponsive. On April 11, 2011, Bombardier protested its disqualification to the City's Chief Procurement Officer, who upheld the disqualification. On June 29, 2011, Bombardier appealed this decision to the Office of Administrative Hearings of the Department of Commerce and Consumer Affairs, where on August 5, 2011, the Hearings Officer upheld the decision of the Chief Procurement Officer. Bombardier then appealed this ruling to the First Circuit Court, where the judge upheld the Hearing Officer's decision on September 13, 2011. Bombardier appealed the Circuit Court decision to the Intermediate Court of Appeals (ICA) on October 13, 2011. The matter has been fully briefed for the ICA by the parties, and they are awaiting a decision by the court.

## PROJECT PROGRESS

### OVERALL PROJECT SCHEDULE AND PROGRESS

As of the end of May, the start of full revenue service is forecasted for March 2019, a full ten months ahead of the FTA's targeted January 31, 2020 completion date. The progress of the overall Project is currently at 10% completion (as of the end of May).

### PROGRESS BY SECTION

#### West Oahu/Farrington Highway Guideway

Kiewit Infrastructure West Company, the design-build contractor on the WOFH section, has largely completed the section design. Utility relocations and guideway column construction commenced, with the first completed column in East Kapolei unveiled on June 8, 2012. To date, a total of 30 foundation shafts have been drilled.

HART received authorization from the FTA to spend up to \$21.8 million to build and equip a precast yard on a 34-acre site in Campbell Industrial Park, and to begin production of the first sections of the elevated guideway.

Substantial completion of the WOFH section is expected in early 2015.



The first column is unveiled in East Kapolei

#### Maintenance and Storage Facility

The Maintenance and Storage Facility (MSF) design-build contract was awarded to the Kiewit/Kobayashi Joint Venture (KKJV). The design is 90% complete; the process has included limited interface coordination with the core systems contractor as well as the guideway design build contractor. A mass grading

permit has been secured to prepare the site for construction, which is scheduled to be substantially complete at the end of 2014.



The Future Maintenance and Storage Facility

### Kamehameha Highway Guideway

The KHG design-build contract was awarded to Kiewit Infrastructure West Company. The design is substantially complete, and utility relocations and foundation test and method shafts are ongoing. The KHG section is scheduled to be substantially complete by mid-2015.

### Core Systems Contract

Ansaldo Honolulu JV (AHJV) was awarded the design-build-operate-maintain core systems contract in March 2011. Ansaldo is responsible for the design, construction and delivery of 80 train vehicles and train control systems, which it will also operate and maintain over a 14-year period. The design process is ongoing, with AHJV interfacing with KKJV and HART on MSF, alignment, and other issues. The contract calls for the delivery of the first 16 vehicles in 2014 and for the remainder in 2018.

### Farrington Highway Station Group

The Farrington Highway Station Group design contract was awarded to HDR Engineering, Inc. (HDR) for the West Loch, Waipahu Transit Center and Leeward Community College stations. Focus was redirected. Early programmatic and conceptual design processes produced cost estimates which indicated a need to identify and develop functional elements which could be applied to all stations.

Functional elements such as the entry fare gates, elevator and escalators, pedestrian bridges, platform canopies, train control spaces, stairs and railings were selected to be designed based on a Module Approach which utilizes common sizing and repetitive fabrication methods as its design concept. HDR has fully embraced the Module Approach and has produced a number of interesting and viable solutions. The net result will be a station which, due to the simplified components, benefits from greater efficiency, lower construction and operational costs and significantly reduced long term maintenance costs.

#### West Oahu Station Group

The final design contract for the West Oahu Station Group has been awarded to URS. The West Oahu Station Group includes the East Kapolei, UH West Oahu, and Ho'opili stations. Design of the stations has commenced under the Notice to Proceed, issued on June 15, 2012.

#### Airport Section Guideway

AECOM Technical Services, Inc., the contractor for the Airport Utility and Guideway design, has completed preliminary engineering drawings. Stakeholder meetings regarding the proposed alignment at the airport entry are ongoing.